PARI-MUTUEL WAGERING TAX

Pari-mutuel wagering tax is imposed for race meets other than those conducted on Nebraska State Fairground Property. Wagers placed at live meets, simulcast events, by telewagering, and by telephonic wagering are subject to tax. The tax applies to every corporation or association licensed to conduct horseracing within the state.

The tax rate is a two-tier system. The first \$10,000,000 of wagers are exempt. For wager amounts over \$10,000,000 and less than or equal to \$73,000,000, the tax rate is two and one-half percent. For amounts in excess of \$73,000,000 the tax rate is four percent. A tax credit is allowed for capital improvements and maintenance of the premises within the race track enclosure. The credit claimed cannot exceed \$1,400,000 and is equal to two percent of the first \$70,000,000 of taxable wagers. An additional tax of one-half percent is imposed on wagers placed by telephone. The one-half percent tax on wagers placed by telephone is deposited in the Racing Commission's Cash Fund. All other revenue is deposited in the General Fund.

Table 7 — 2002 Pari-mutuel Report

ORGANIZATION	LIVE RACE MEETS	NEBRASKA SIMULCAST	OUT OF STATE SIMULCAST	TELEPHON WAGEREI		AMOUNT TAXABLE	TAX DUE	TAX CREDIT	TAX PAID
Hall County Improvement Assn.	\$5,016,497	\$571,876	\$13,834,700	\$0	\$19,423,073	\$9,423,073	\$235,577	\$188,461	\$47,118
Omaha Exposition & Racing, Inc.	397,604	2,934,804	60,650,630	1,205,441	65,188,479	55,188,479	1,379,712	1,103,770	281,969
ATOKAD Agriculture Racing Assn.	e & 141,497	422,264	3,122,237	4,599	3,690,597	4,599	23	0	23
Platte County Agricultural Societ	1,461,383	586,431	4,945,951	0	0	0	0	0	0
Nebraska State Board of Agricultur	1,724,868	1,087,678	16,140,879	0	18,953,425	8,953,425	223,836	179,069	44,767
Total	\$8,741,849	\$5,603,053	\$98,694,397	\$1,210,040	\$107,255,574	\$73,569,576	\$1,839,148	\$1,471,300	\$373,878

Chronology of Pari-Mutuel Tax Rates

LIVE RACE MEETS	NEBRASKA (OUT OF STATE SIMULCAST	TELEPHONIC WAGERED	TOTAL	AMOUNT TAXABLE	TAX DUE	TAX CREDIT	TAX PAID
\$65,976,048	\$46,121,266	\$13,083,748	_	\$125,181,062	\$73,113,450	\$1,462,269	\$1,462,269	\$0
53,164,942	43,514,910	18,083,307	_	114,763,159	66,122,266	1,653,057	1,322,445	330,611
53,478,580	43,405,104	21,385,065	_	118,268,749	69,848,538	1,746,213	1,396,971	349,243
46,805,857	37,828,433	25,003,856	_	109,638,146	61,339,223	1,533,481	1,226,784	306,696
28,504,850	8,213,455	48,267,613	_	84,985,918	64,985,918	1,624,648	1,299,718	324,930
25,870,809	15,022,237	77,502,903	_	118,395,949	65,407,650	1,635,191	1,308,150	327,041
10,226,390	8,742,475	71,067,296	_	90,036,361	42,244,246	1,056,107	844,885	211,222
9,295,840	7,302,737	71,529,486	_	88,128,063	41,824,793	1,045,620	836,499	209,121
7,965,015	5,014,469	92,111,131	_	105,091,665	59,490,425	1,487,261	1,189,788	297,445
10,068,127	5,939,496	94,932,440	_	110,940,063	66,515,208	1,662,880	1,330,304	332,576
9,504,065	5,571,353	95,462,640	_	110,488,058	390,058,413	8,135,698	7,801,168	334,530
8,642,910	5,363,606	99,845,725	_	113,852,241	65,301,333	1,632,588	1,306,027	327,529
8,741,849	5,603,053	98,694,397	\$1,210,040	107,255,574	73,569,576	1,839,148	1,471,300	373,878
	\$65,976,048 53,164,942 53,478,580 46,805,857 28,504,850 25,870,809 10,226,390 9,295,840 7,965,015 10,068,127 9,504,065 8,642,910	MEETS SIMULCAST \$65,976,048 \$46,121,266 53,164,942 43,514,910 53,478,580 43,405,104 46,805,857 37,828,433 28,504,850 8,213,455 25,870,809 15,022,237 10,226,390 8,742,475 9,295,840 7,302,737 7,965,015 5,014,469 10,068,127 5,939,496 9,504,065 5,571,353 8,642,910 5,363,606	MEETS SIMULCAST SIMULCAST \$65,976,048 \$46,121,266 \$13,083,748 53,164,942 43,514,910 18,083,307 53,478,580 43,405,104 21,385,065 46,805,857 37,828,433 25,003,856 28,504,850 8,213,455 48,267,613 25,870,809 15,022,237 77,502,903 10,226,390 8,742,475 71,067,296 9,295,840 7,302,737 71,529,486 7,965,015 5,014,469 92,111,131 10,068,127 5,939,496 94,932,440 9,504,065 5,571,353 95,462,640 8,642,910 5,363,606 99,845,725	MEETS SIMULCAST SIMULCAST WAGERED \$65,976,048 \$46,121,266 \$13,083,748 — 53,164,942 43,514,910 18,083,307 — 53,478,580 43,405,104 21,385,065 — 46,805,857 37,828,433 25,003,856 — 28,504,850 8,213,455 48,267,613 — 25,870,809 15,022,237 77,502,903 — 10,226,390 8,742,475 71,067,296 — 9,295,840 7,302,737 71,529,486 — 7,965,015 5,014,469 92,111,131 — 10,068,127 5,939,496 94,932,440 — 9,504,065 5,571,353 95,462,640 — 8,642,910 5,363,606 99,845,725 —	MEETS SIMULCAST SIMULCAST WAGERED TOTAL \$65,976,048 \$46,121,266 \$13,083,748 — \$125,181,062 53,164,942 43,514,910 18,083,307 — 114,763,159 53,478,580 43,405,104 21,385,065 — 118,268,749 46,805,857 37,828,433 25,003,856 — 109,638,146 28,504,850 8,213,455 48,267,613 — 84,985,918 25,870,809 15,022,237 77,502,903 — 118,395,949 10,226,390 8,742,475 71,067,296 — 90,036,361 9,295,840 7,302,737 71,529,486 — 88,128,063 7,965,015 5,014,469 92,111,131 — 105,091,665 10,068,127 5,939,496 94,932,440 — 110,940,063 9,504,065 5,571,353 95,462,640 — 110,488,058 8,642,910 5,363,606 99,845,725 — 113,852,241	MEETS SIMULCAST SIMULCAST WAGERED TOTAL TAXABLE \$65,976,048 \$46,121,266 \$13,083,748 — \$125,181,062 \$73,113,450 53,164,942 43,514,910 18,083,307 — 114,763,159 66,122,266 53,478,580 43,405,104 21,385,065 — 118,268,749 69,848,538 46,805,857 37,828,433 25,003,856 — 109,638,146 61,339,223 28,504,850 8,213,455 48,267,613 — 84,985,918 64,985,918 25,870,809 15,022,237 77,502,903 — 118,395,949 65,407,650 10,226,390 8,742,475 71,067,296 — 90,036,361 42,244,246 9,295,840 7,302,737 71,529,486 — 88,128,063 41,824,793 7,965,015 5,014,469 92,111,131 — 105,091,665 59,490,425 10,068,127 5,939,496 94,932,440 — 110,940,063 66,515,208 9,504,065 5,571,353 95,462,640	MEETS SIMULCAST SIMULCAST WAGERED TOTAL TAXABLE DUE \$65,976,048 \$46,121,266 \$13,083,748 — \$125,181,062 \$73,113,450 \$1,462,269 53,164,942 43,514,910 18,083,307 — 114,763,159 66,122,266 1,653,057 53,478,580 43,405,104 21,385,065 — 118,268,749 69,848,538 1,746,213 46,805,857 37,828,433 25,003,856 — 109,638,146 61,339,223 1,533,481 28,504,850 8,213,455 48,267,613 — 84,985,918 64,985,918 1,624,648 25,870,809 15,022,237 77,502,903 — 118,395,949 65,407,650 1,635,191 10,226,390 8,742,475 71,067,296 — 90,036,361 42,244,246 1,056,107 9,295,840 7,302,737 71,529,486 — 88,128,063 41,824,793 1,045,620 7,965,015 5,014,469 92,111,131 — 105,091,665 59,490,425 1,487,261	MEETS SIMULCAST SIMULCAST WAGERED TOTAL TAXABLE DUE CREDIT \$65,976,048 \$46,121,266 \$13,083,748 — \$125,181,062 \$73,113,450 \$1,462,269 \$1,462,269 53,164,942 43,514,910 18,083,307 — 114,763,159 66,122,266 1,653,057 1,322,445 53,478,580 43,405,104 21,385,065 — 118,268,749 69,848,538 1,746,213 1,396,971 46,805,857 37,828,433 25,003,856 — 109,638,146 61,339,223 1,533,481 1,226,784 28,504,850 8,213,455 48,267,613 — 84,985,918 64,985,918 1,624,648 1,299,718 25,870,809 15,022,237 77,502,903 — 118,395,949 65,407,650 1,635,191 1,308,150 10,226,390 8,742,475 71,067,296 — 90,036,361 42,244,246 1,056,107 844,885 9,295,840 7,302,737 71,529,486 — 88,128,063 41,824,793 1,045,620